

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: Compensation and Tax Division

EXTENSION

NO.

Rm. 702 Key Bldg. X-2071

DATE

19 June 1972

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Director of Finance
1212 Key

RECEIVED
6/27/72
FORWARDED
[Signature]



6/30
[Signature]
S/S

For '74 Planning Paper

4. [Signature] Div.

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19 June 1972

MEMORANDUM FOR: Director of Finance

SUBJECT : Establishment of Control Group - C&TD
Request for Increase in T.O.

1. This memorandum is to apprise you of a requirement to establish a Control Section in Compensation and Tax Division and contains a recommendation for your approval in paragraph 7.
2. When reorganizing the division's operations in geographic areas and re-alignment of pay cases into four operational groups, we merged automated and manual systems throughout the division. As each system has established internal and external controls, no single unit in the division has been assigned overall control responsibility. Many payroll operations cross Branch lines of responsibility and the requirement exists for a control group to monitor the various activities of a multi-system payroll operation. Attachment "A" outlines the functions of the control group which are separated into two major areas; i.e., controls on the on-going systems and controls for the revised automated computer system.
3. The revised automated payroll system will compute and pay compensation to 90% of the Agency employees. Because the majority of payroll operations will be performed automatically by the computer without human intervention, there is less chance of errors coming to the pay clerks' attention. For this reason a high degree of reliability will be placed on the audit and review of source data and analysis of computer output. Human action is required to insure that only authorized source data will reach the automatic processing equipment without loss, addition or error. External controls to the system will verify that all data received was processed correctly.

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-2-

4. All data for processing through the payroll systems will be placed under control before forwarding to OCS. Techniques used to control the input/output functions of the automated system will be similar to those used for the conventional or manual systems. Responsibility rests with the control group to see that all errors detected during processing are corrected and to ensure that all output is properly distributed. To this extent, personnel assigned to the control group must be knowledgeable of the payrolling process for all systems.

5. The Control Section will be a new organizational component in the Payroll Support Branch. Requirements for a new component stems from functions which remained after reorganization, centralized control over operations when combining automated and manual systems, and a new sophisticated computerized payroll system providing additional reports for review and reconciliation. Certain functions of the Control Section are currently being performed by auditors in the operational groups at a sacrifice to efficiency in operations. Other functions are now performed by the Records Controls and Allowance Section of the Payroll Support Branch and will be transferred with the personnel to the Control Section.

6. Based on the workload involved, the degree of knowledge required, the complexity of operations and the commensurate responsibility, five positions will be required to adequately staff the new component. Grade and position titles of the Section are as follows:

- GS-11 Finance Officer - Chief
- GS-9 Finance Assistant
- GS-9 Finance Assistant
- GS-7 Benefit Payment Technician
- GS-5 Clerk/Typist

The GS-7 and 5 positions are available within C&TD. Other position and grades would necessarily have to come from the Office of Finance overall Staff ceiling. I plan to staff these positions with qualified personnel now in the division.

STATINTL

7. It is recommended that an increase from [REDACTED] positions in the FY 1973 C&TD Staff ceiling be approved to accommodate establishment of the Control Section. This increase to include one GS-11 Finance Officer position and two GS-9 Finance Assistant positions.

STATINTL

[REDACTED]
Chief

Compensation and Tax Division

Attachment

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SUBJECT: Establishment of Control Group - C&TD
Request for Increase in T.O.

-3-

APPROVED:

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JUN 1972

THOMAS B. YALE
Director of Finance

30 JUN 1972

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ATTACHMENT A

FUNCTIONS OF CONTROL GROUP

PAYROLL SUPPORT BRANCH

COMPENSATION AND TAX DIVISION

1. Controls input/output operations for those payroll systems which are not included in the new automated payroll system.
 - a. Batching and submission of payroll change notices to OCS for processing. Maintenance of control data on those payrolls not absorbed into the new computer system for accounting and vouchering purposes.
 - b. Monitoring activity of all general ledger accounts applicable to payroll operations and all related follow up responsibility for delinquent account or accountings.
 - c. Reconciliation of Social Security accounts for those employees with Code 31 and 32 deductions from their pay.
 - d. Responsibility for reconciling and control of Counter Checks.
 - e. 
 - f. Maintains control records for withholdings from compensation for Federal and state income taxes, salary withholdings and Agency contributions for Social Security, insurances, etc. Reconcile control records with general ledger accounts and maintaining control data to facilitate reconciling total tax withholdings recorded on W-2's.
 - g. Control retirement records, distribution of salary checks, savings bonds, W-2's, earning statements and other payroll bi-products.
 - h. Preparation of payroll vouchers.

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2. Responsible for the monitoring and controlling of all data both entering and leaving the machine operation or ADP center for Agency payroll systems.
 - a. Maintaining batch control registers for all payroll documents for input into the machine operation.
 - b. Review and take appropriate action on all validated and edited outputs.
 - c. Control all computerized reports for distribution to the operating branches.
 - d. Act as focal point for all material going to and from the computer center.
 - e. Review all control reports summarized from the machine operations to ensure reliability and accuracy of the output from the payroll system.
 - f. Ensure that all errors which have been identified at various stages in the system have been corrected, re-entered and properly reflected in the output.

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